

# Bonneville Power Administration Power & Transmission Overview

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*For*  
Montana Energy Education Workshop:  
Renewable Energy Primer and Plugging Wood into the Power Grid  
July 14, 2010

# Federal Columbia River Power System

## Columbia River Basin & BPA Service Area

### What is BPA?

- Self-funding federal agency within DOE. Sets rates to recover costs.
- Markets power at cost from 31 federal dams and 1 nuclear plant – over one-third of electricity used in PNW
- Markets transmission services – owns 75% (15,000 miles) of the high-voltage lines in PNW
- Protects, mitigates & enhances fish & wildlife in the Columbia River Basin
- 300,000-square mile service area – includes WA, OR, ID and Western MT
- \$3 billion in annual revenues
- 3,000 employees
- Headquarters in Portland, OR
- Established in 1937



# New Power Sales Contracts & Tiered Rates

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- BPA & customers signed new 20-year wholesale power contracts in 2008
- Power deliveries begin FY 2012 and continue through FY2028
- Customers receive power and share of the costs associated with the firm output of existing FCRPS at lowest cost-based rates (Tier 1)
- Customer choice of future power supply for load growth – federal and non-federal options
- Initial BPA tiered rates will be established in FY 2011, for the FY 2012-2013 rate period
- Tier 2 rates will reflect BPA costs to procure sources of supply in flat blocks or converted to flat blocks to meet customer requests

# Tier 2 Rate Prospectus

## FY 2012-14 and FY 2015-19

Tier 2 Alternative (Customer commitment)	Availability	<b>Potential Resources Allocated to Tier 2 Rate Pool</b>  <i>(Will evolve over time subject to our load/resource balance deficit and as we get more information about available resources and customer needs)</i>	RECs Provided?
Load Growth (17 years: FY 2012-2028 14 years: FY 2015-2028)	Load Following customers	A mix of short & long term purchases (in no particular order, examples could include Market Purchases, Renewables, CCCT, Waste Energy Gen, etc). <b>Resource selection primarily driven by lowest life cycle cost.</b>	Potential that some level of RECs could be provided over the course of the contract.
Short-Term (3 years: FY 2012-2014 5 years: FY 2015-2019)	Load Following and Slice/Block customers. Slice/Block customers must commit to defined amounts when making their elections every year of the Purchase Period.	Short-Term market purchases (5 years or less in duration). <b>Purchases driven by lowest cost market opportunities.</b>	Unlikely
Vintage (up to 17 yrs)	Any purchaser with an amount of Short-Term service; however, vintage rate not offered for the 11/01/09 decision deadline due to insufficient customer interest. BPA will be surveying customers to see if there is interest in a Vintage rate for FY 2014.	Based on customer interest. (In no particular order: Wind, Geothermal, Solar, Waste Energy Generation, CCCT, Market Purchase). <b>Resource selection driven by targeted resource, lowest life cycle cost, and overall BPA load/resource balance deficit.</b>	Yes, for most renewable-based rate alternatives.

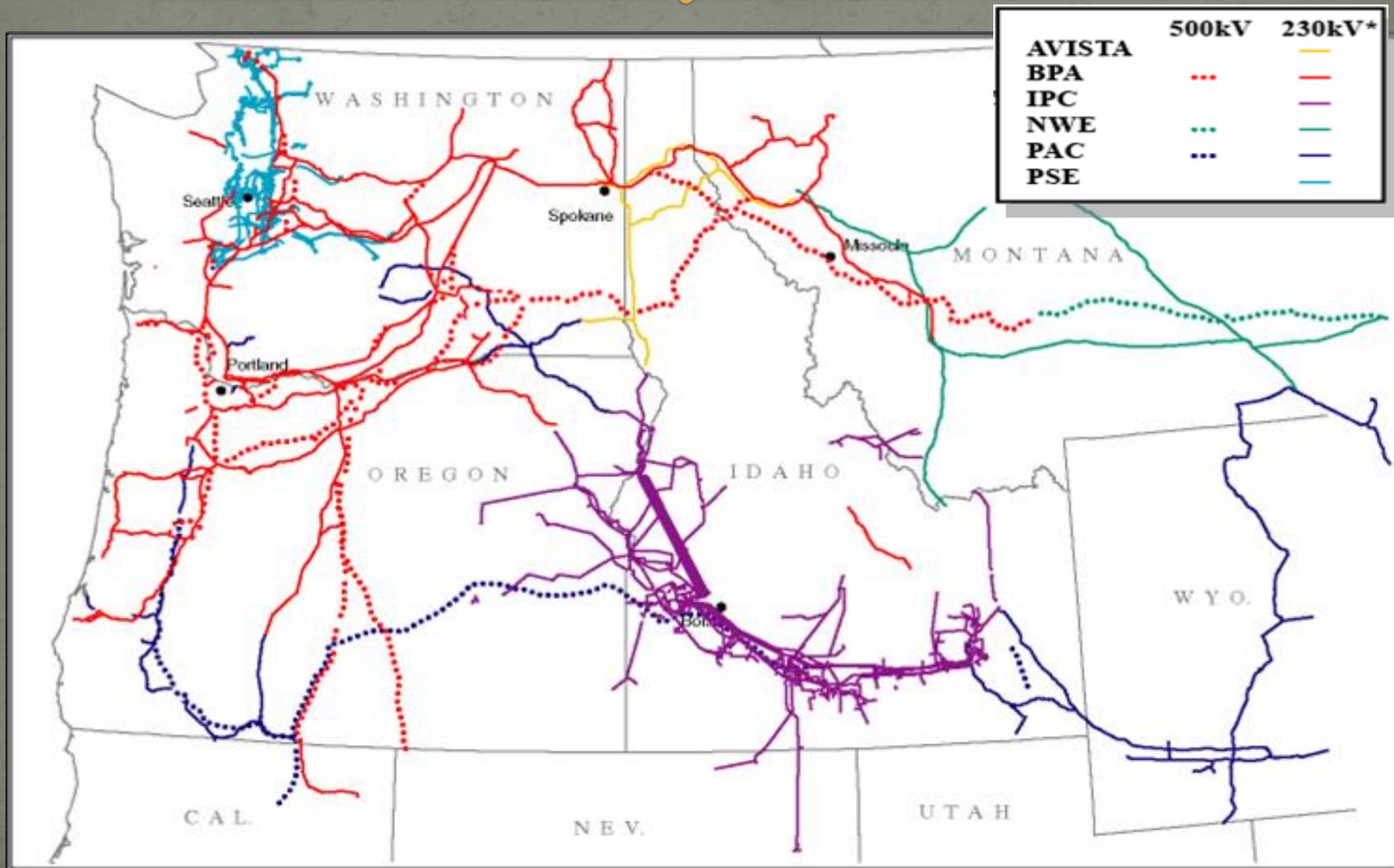
# Tier 2 Customer Choice Timelines and 2012-2014 Decisions

Notice Deadline		Purchase Period
November 1, 2009	for	FY 2012 – FY 2014
September 30, 2011	for	FY 2015 – FY 2019
September 30, 2016	for	FY 2020 – FY 2024
September 30, 2021	for	FY 2025 – FY 2028

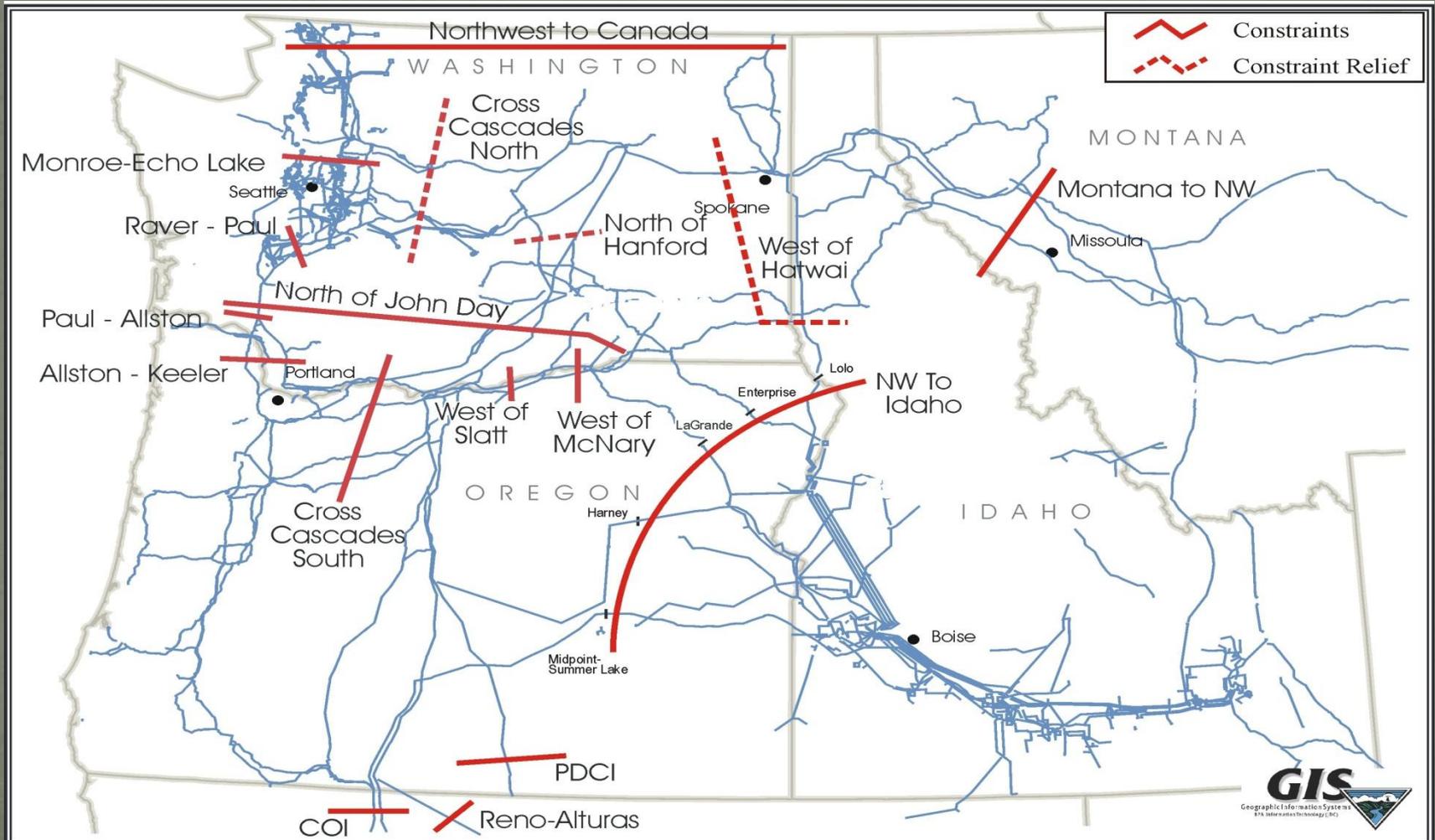
<i>Note: 103 Load Following customers and 17 Slice/Block customers</i>	FY 2012	FY 2013	FY 2014 (load amounts below are estimates)
<b>Total 2012-2014 Above-RHWM Load Amounts (in aMWs)</b>			
<b>Total Tier 2 Rate Service</b>	21.1 (15% of Total AHWML)	56.6 (21% of Total AHWML)	47.6 (12% of Total AHWML)
<b>Total Non-Federal Resources</b>	117.1 (81% of Total AHWML)	200.2 (74% of Total AHWML)	322.6 (84% of Total AHWML)
<b>Total Above-RHWM Load</b>	144	269	385

- By Sept. 30, 2011, customers must elect how they will serve their Above-RHWM Load during the FY 2015-2019 purchase period.

# Combined NW Transmission Grid



# Constrained Paths – Now



# Conducting Business with BPA Transmission

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- Open Access Transmission Tariff (OATT):  
[http://www.transmission.bpa.gov/business/ts\\_tariff/](http://www.transmission.bpa.gov/business/ts_tariff/)
- Rates
- Transmission Service Requests
- Network Open Season
- Future Transmission Upgrades

# Generation Interconnection & Integration – Getting Started

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- Call or meet with your Transmission Account Executive
- Discuss concept – confirm need for formal interconnection request
- $\leq 20$  MW: Small Generation Interconnection Procedure (SGIP) - \$2500 initial deposit with application – demonstrate site control
- $>20$  MW: Large Generation Interconnection Procedure (LGIP)
- Construction agreement for generation integration through a host utility
- Balancing authority area services agreement for generation integration

# BPA Contacts

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- Power Account Executive (Montana): Clarence (C.T.) Beede, (406) 849-5034 (406) 544-0625 ctbeede@bpa.gov
- Transmission Account Executive (Montana): Brian Altman, (306) 619-6003 (360) 901-5171 bdaltman@bpa.gov
- Bulk Power Marketing Account Executive: Deb Malin, (503) 230-5701 djmalin@bpa.gov
- Constituent Account Executive (Montana): Gail Kuntz, (406) 449-5790 (406) 439-6311 gkkuntz@bpa.gov